

United States Department of the Interior

FURFAU OF LAND MANAGEMENT

TASK 1947

Cedar City Field Office

176 East DL Sargent Drive Cedar City, UT 84720 Telephone (435) 586-2401 FAX (435) 865-3058

October 3, 2008

Memorandum

To:

Opie Abeyta

From:

Ed Ginouves, Cedar City Field Office

Subject:

Financial Security Request

The Cedar City Field Office received a new notice, under the 43 CFR 3809 regulations, to conduct exploration activity on BLM lands managed through this office. The notice will require the posting of a financial security to be in compliance with the regulations. The operator has adopted the DOGM fee schedule to cover the proposed project disturbances, all of which are on BLM-managed lands. Pertinent information for this operation is abstracted below. Call or E-mail me if you have any questions.

Case Name:

Sliver 1 -2

BLM Case File:

UTU-82963 S/001/067?

DOGM file:

none

NEPA Number: Operator:

Penney's Gemstones LLC

Address:

P.O. Box 312, Beaver, UT 84713

Contact:

David Penney

Phone:

435-438-5522

Type:

43 CFR 3809, bulk sampling of Picasso marble

Legal Description:

T. 29 S., R. 9 W., section 20: SE1/4

Location Info:

Beaver County, Utah; south end of Mineral Mtns. In Lincoln Gulch

BLM 1:100,000 Beaver land status quadrangle; USGS 7.5' Cave Canyon topographic quadrangle;

Proposed Action:

Referring to the operator's project map, the operator is proposing trackhoe excavation within a small area at the north end of the blue polygon, which represents an island of BLM-managed land, surrounded by privately-owned lands. These working areas are identified as two small green polygons and that portion of the purple area overlapping the blue polygon (encompassing 0.5 acres total). Access would be via the existing trail that serviced the original private land quarry from the main Lincoln Gulch County Rd. The adjacent large guarry on private land is now undergoing earthwork reclamation. Excavation on the BLM land will be intermittent (several weeks of

excavation activity/year) and likely ongoing for several years. At the conclusion of the excavation/sampling activity, the excavation would be backfilled with waste rock

rubble /soil mixture and seeded. All work would be reclamation bonded.

Financial Security:

This operator will be required to post a financial security of \$6,300 to secure

reclamation of the notice work, as required by 43 CFR 3809.552.